

STATE OF CONNECTICUT
DEPARTMENT OF ENVIRONMENTAL PROTECTION



STATE OF CONNECTICUT) ORDER NO. 1984
VS.)
ALLEGHENY LUDLUM CORPORATION)

CONSENT ORDER

- A. With the agreement of Allegheny Ludlum Corporation ("Respondent"), the Commissioner of Environmental Protection ("Commissioner") finds the following:
1. The Respondent is a corporation located on 80 Valley Street in Wallingford ("facility").
2. At the facility, the Respondent operates three dual-fired Johnston boilers ("boilers") and a mixed-acid pickling process which are subject to Section 22a-174-22 of the Regulations of Connecticut State Agencies ("Regulations") pertaining to the control of nitrogen oxides ("NOx") emissions.
3. Pursuant to Section 22a-174-22(k)(1) of the Regulations, NOx emission tests shall be conducted on the boilers at least once every five years after performing the initial NOx emission test to ensure continued compliance with the allowable NOx emission rates set forth in Section 22a-174-22(e), Table 22-1 of the Regulations
4. Between December 21 and 23, 1998, the Respondent conducted NOx emission tests on Boiler No. 3 while firing natural gas and on Boiler No. 2 while firing No. 6 fuel oil. The tests were deemed representative and it was determined that the NOx emission rates for all three boilers exceeded the allowable emission rates of Section 22a-174-22 of the Regulations.

Date of Issuance January 6, 2011

5. On December 30, 1998 and May 18, 2000, the Respondent conducted NO_x emission tests for the mixed-acid pickling process. The tests were deemed representative and it was determined that the NO_x emission rate for the mixed-acid pickling process exceeded the allowable emission rate of Section 22a-174-22 of the Regulations during both tests.
6. On May 21, 2002, the Respondent was issued Trading Agreement and Order No. 8188 ("Order No. 8188"). Order No. 8188 documented the Respondent's fuel oil conversion from residual to distillate on all three boilers. Additionally, Order No. 8188 required the respondent to perform an annual NO_x emission test on the mixed-acid pickling process.
7. On May 18, 2001, the Respondent conducted a NO_x emission test on Boiler No. 1 while combusting distillate oil. The results of the emission test were approved by the Department of Environmental Protection ("Department").
8. On July 17, 2002, the Respondent was issued Title V Operating Permit No. 189-0159-TV.
9. On April 17, 2003, the Respondent conducted NO_x emission tests on Boiler Nos. 2 and 3 while combusting distillate oil. The results of the emission test were approved by the Department.
10. On March 15, 2006, the Respondent conducted a NO_x emission test on Boiler No. 1 while combusting distillate oil. The results of the emission test were approved by the Department.
11. On April 27, 2007, Department staff conducted a record review that discovered that the Respondent failed to conduct NO_x emission tests while combusting natural gas on or before December 21, 2003 for each boiler as required by Section 22a-174-22 of the Regulations.
12. Notice of Violation No. 15971 was issued to the Respondent on June 10, 2007 for failing to conduct NO_x emission tests on each boiler while firing natural gas within five years of the previous tests while firing natural gas.
13. Pursuant to Section 22a-174-26 of the Regulations the owner or operator of a Title V source shall pay an emission fee each year to the Department that is based upon actual emissions of all regulated pollutants identified in Section 22a-174-26(d)(3).
14. As documented in the Respondent's annual emission statements submitted to the Department for calendar years 2002, 2003, 2005 and 2006 the Respondent calculated actual emissions from the mixed-acid pickling process using a unit-specific emission factor derived from the Respondent's NO_x emission test conducted on November 3, 2000. By doing so, the Respondent under-reported actual NO_x emissions for the aforementioned calendar years.

15. Notice of Violation No. 16126 was issued to the Respondent on February 8, 2008 for failing to submit accurate emission records for NO_x and pay appropriate emissions fees for the calendar years 2002, 2003, 2005 and 2006.
 16. By virtue of the above, the Respondents violated Sections 22a-174-22 and 22a-174-26 of the Regulations of Connecticut State Agencies.
 17. By agreeing to issuance of this Consent Order, Respondent makes no admission of fact or law with respect to the matter addressed herein, other than the facts asserted in Paragraphs A.1 through A.2, inclusive.
- B. With the agreement of the Respondents, the Commissioner, acting under §22a-6, 22a-171, 22a-174, 22a-177, and 22a-178 of the Connecticut General Statutes, orders the Respondent as follows:
1. Avoided Title V Emission Fees: Within sixty (60) days after issuance of this consent order, the Respondent shall submit to the Department the past due annual emission fees for calendar years 2002, 2003, 2005 and 2006 attributable to the mixed-acid pickling process. In accordance with Section 22a-174-26(d)(7) said emission fee shall include a late fee of ten percent (10%) of the emission fee and an additional one and one quarter percent (1.25%) per month of the amount of all emission fees which remain unpaid after the first day of each month. As of November 1, 2010 the emission fee plus the late fee and monthly interest will equate to \$11,541.82.
 2. Payment of Title V Emission Fees. Payment of emission fees under this Consent Order shall be mailed or personally delivered to the Department of Environmental Protection, Bureau of Financial and Support Services, Accounts Receivable Office, 79 Elm Street, Hartford, CT 06106-5127, and shall be by certified or bank check payable to "Treasurer, State of Connecticut." The check shall state on its face, "Bureau of Air Management, Title V Emission Fees, Consent Order 1984".
 3. Civil Penalty. On or before thirty (30) days after issuance of this consent order, the Respondent shall submit a penalty of \$38,533 as the total civil penalty to be sought by the Commissioner for those, and only those, violations described in Paragraphs A.12 and A.15 of this Consent Order.
 4. Payment of penalties. Payment of penalties under this consent order shall be mailed or personally delivered to the Department of Environmental Protection, Bureau of Financial and Support Services, Accounts Receivable Office, 79 Elm Street, Hartford, CT 06106-5127, and shall be by certified or bank check payable to "Treasurer, State of Connecticut." The check shall state on its face, "Bureau of Air Management, Engineering and Enforcement Division Civil Penalty, Consent Order 1984".

5. Full compliance. The Respondent shall not be considered in full compliance with this Consent Order until all actions required by this Consent Order have been completed as approved and to the Commissioner's satisfaction.
6. Approvals. The Respondent shall use best efforts to submit to the Commissioner all documents required by this Consent Order in a complete and approvable form. If the Commissioner notifies the Respondents that any document or other action is deficient, and does not approve it with conditions or modifications, it is deemed disapproved, and the Respondent shall correct the deficiencies and resubmit it within the time specified by the Commissioner or, if no time is specified by the Commissioner, within 30 days of the Commissioner's notice of deficiencies. In approving any document or other action under this Consent Order, the Commissioner may approve the document or other action as submitted or performed or with such conditions or modifications as the Commissioner deems necessary to carry out the purposes of this Consent Order. Nothing in this paragraph shall excuse noncompliance or delay.
7. Definitions. As used in this Consent Order, "Commissioner" means the Commissioner or a representative of the Commissioner.
8. Dates. The date of "issuance" of this Consent Order is the date the Consent Order is deposited in the U.S. mail or personally delivered, whichever is earlier. The date of submission to the Commissioner of any document required by this Consent Order shall be the date such document is received by the Commissioner. The date of any notice by the Commissioner under this Consent Order, including but not limited to notice of approval or disapproval of any document or other action, shall be the date such notice is deposited in the U.S. mail or is personally delivered, whichever is earlier. Except as otherwise specified in this Consent Order, the word "day" as used in this Consent Order means calendar day. Any document or action which is required by this Consent Order to be submitted or performed by a date which falls on a Saturday, Sunday or a Connecticut or federal holiday shall be submitted or performed by the next day which is not a Saturday, Sunday or Connecticut or federal holiday.
9. Certification of documents. Any document, including but not limited to any notice, which is required to be submitted to the Commissioner under this Consent Order shall be signed by the Respondent or, if the Respondent is not an individual, by the Respondent's chief executive officer or a duly authorized representative of such officer, as those terms are defined in §22a-430-3(b)(2) of the Regulations of Connecticut State Agencies, and by the individual(s) responsible for actually preparing such document, and each such individual shall certify in writing as follows: "I have personally examined and am familiar with the information submitted in this document and all attachments thereto, and I certify, based on reasonable investigation, including my inquiry of those individuals responsible for obtaining the information, that the submitted information is true, accurate and complete to the best of my knowledge and belief. I understand that any false statement made in the

submitted information may be punishable as a criminal offense under §53a-157b of the Connecticut General Statutes and any other applicable law."

10. Noncompliance. This Consent Order is a final order of the Commissioner with respect to the matters addressed herein, and is nonappealable and immediately enforceable. Failure to comply with this Consent Order may subject the Respondent to an injunction and penalties.
11. False statements. Any false statement in any information submitted pursuant to this Consent Order may be punishable as a criminal offense under §53a-157b of the Connecticut General Statutes and any other applicable law.
12. Notice of transfer; liability of Respondent. Until the Respondent has fully complied with this Consent Order, the Respondent shall notify the Commissioner in writing no later than 15 days after transferring all or any portion of the facility, the operations, the site or the business which is the subject of this Consent Order or after obtaining a new mailing or location address. The Respondent's obligations under this Consent Order shall not be affected by the passage of title to any property to any other person or municipality.
13. Commissioner's powers. Except as provided hereinabove with respect to payment of civil penalties, nothing in this Consent Order shall affect the Commissioner's authority to institute any proceeding or take any other action to prevent or abate violations of law, prevent or abate pollution, recover costs and natural resource damages, and to impose penalties for past, present, or future violations of law. If at any time the Commissioner determines that the actions taken by the Respondent pursuant to this Consent Order have not successfully corrected all violations, fully characterized the extent or degree of any pollution, or successfully abated or prevented pollution, the Commissioner may institute any proceeding to require the Respondent to undertake further investigation or further action to prevent or abate violations or pollution.
14. Respondent's obligations under law. Nothing in this Consent Order shall relieve the Respondent of other obligations under applicable federal, state, and local law.
15. No assurance by Commissioner. No provision of this Consent Order and no action or inaction by the Commissioner shall be construed to constitute an assurance by the Commissioner that the actions taken by the Respondent pursuant to this Consent Order will result in compliance.
16. Access to site. Any representative of the Department of Environmental Protection may enter the facility without prior notice for the purposes of monitoring and enforcing the actions required or allowed by this Consent Order.
17. No effect on rights of other persons. This Consent Order neither creates nor affects any rights of persons or municipalities that are not parties to this Consent Order.

18. Notice to Commissioner of changes. Within 15 days of the date the Respondent becomes aware of a change in any information submitted to the Commissioner under this Consent Order, or that any such information was inaccurate or misleading or that any relevant information was omitted, the Respondent shall submit the correct or omitted information to the Commissioner.

19. Notification of noncompliance. In the event that the Respondent becomes aware that it did not or may not comply, or did not or may not comply on time, with any requirement of this Consent Order or of any document required hereunder, the Respondent shall immediately notify by telephone the individual identified in the next paragraph and shall take all reasonable steps to ensure that any noncompliance or delay is avoided or, if unavoidable, is minimized to the greatest extent possible. Within five (5) days of the initial notice, the Respondent shall submit in writing the date, time, and duration of the noncompliance and the reasons for the noncompliance or delay and propose, for the review and written approval of the Commissioner, dates by which compliance will be achieved, and the Respondent shall comply with any dates which may be approved in writing by the Commissioner. Notification by the Respondent shall not excuse noncompliance or delay, and the Commissioner's approval of any compliance dates proposed shall not excuse noncompliance or delay unless specifically so stated by the Commissioner in writing.

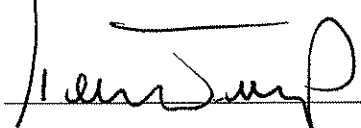
20. Joint and several liability. Respondent shall be jointly and severally liable for compliance with this Consent Order.

21. Submission of documents. Any document required to be submitted to the Commissioner under this Consent Order shall, unless otherwise specified in this Consent Order or in writing by the Commissioner, be directed to:

Supervisor
Administrative Enforcement Group
Engineering and Enforcement Division
Bureau of Air Management
Department of Environmental Protection
79 Elm Street, 5th Floor
Hartford, Connecticut 06106
(860) 424-3702

Respondent consents to the issuance of this consent order without further notice. The undersigned certifies that he/she is fully authorized to enter into this consent order and to legally bind the Respondent to the terms and conditions of the consent order.

Allegheny Ludlum Corporation

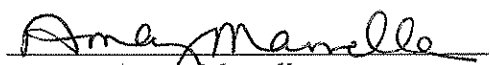
Signature: 

Type Name: Terry L. Dunlap

Type Title: President

Date: Dec - 22 - 10

Issued as a final order of the Commissioner of Environmental Protection.


Amy Marrella
Commissioner

January 5, 2011
Date

MAILED CERTIFIED MAIL,
RETURN RECEIPT REQUESTED